

College Costs Climb

Parents want to see their children achieve, and in today's economy, that means sending their kids to college. But, as college costs skyrocket, that goal is become harder to reach.

Today, a middle class parent sending two students to a state college faces, on average, more than \$100,000 in bills. The cost of going to a public university has risen 80 percent in ten years. In 2008-2009, college costs continued to increase - up 5.9 percent at private universities and 6.4 percent at public universities.

Making College Affordable

In order to keep our children on a path for success, we need to make college affordable again.

In March 2010, Congress passed and the President signed into law the Student Aid and Fiscal Responsibility Act as part of budget reconciliation (HR 4872). This landmark legislation makes historic investments in higher education. New York's Second Congressional District will see an investment of \$46.4 million over 10 years to help send students to college. Every year, 12,000 students in Rep. Israel's Congressional District receive the Pell Grants that this bill invests in. For more information on this legislation, [click here](#).

Rep. Israel has introduced several bills to make college more affordable. In January 2009, he introduced legislation to create a single, super-sized tax credit to help families offset their college costs (H.R.518). Under this bill, families earning up to \$200,000 will receive a \$5,000 credit toward the costs of college tuition, fees and books. Families would receive a non-refundable credit equal to 50 percent of the first \$10,000 they pay in college tuition for up to four years per student. This credit would replace and expand existing tax credits and deductions. Current tax credits, including the Hope Credit and the Lifetime Learning Credit, are capped at \$2,000 a year or less and only apply to families earning less than \$114,000 per year.

During the 110th Congress (2007-2008), Congressman Israel enthusiastically supported H.R. 2669, the College Cost Reduction and Access Act of 2007. This legislation provides the single largest increase in college aid since the GI bill. And it will do so at no new cost to taxpayers, by cutting excess subsidies paid by the federal government to lenders in the student loan industry.

Student Loan Rates

In 2009, the maximum Pell Grant award was \$5,350. The Student Aid and Fiscal Responsibility Act, which Rep. Israel supported, raises that to \$5,500 in 2010 and steadily raises it to \$5,975

by 2017. Also, it links the Pell Grant to the rising cost of living starting in 2013, so that the Pell Grant award stays steady over time.

The Student Aid and Fiscal Responsibility Act also converts student lending into all direct federal loans, saving taxpayers \$61 billion over ten years by eliminating an unnecessary subsidy to big banks and making student loans more affordable for students.

For more information on planning for college, [click here](#) .